

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**HB 1638 - SB 2349**

February 20, 2022

**SUMMARY OF BILL AS AMENDED (013889):** Removes the Department of General Services (DGS) and substitutes the Speaker of the Senate and the Speaker of the House of Representatives, as having the duty to take care of and preserve the second floor of the state capitol, including all chambers, galleries, offices, rooms, hallways, balconies, storage areas and other spaces therein, and all associated furniture and fixtures and to keep the same in good order.

Requires that the DGS provide routine maintenance on and to the second floor of the state capitol only after providing notice of not less than 24 hours, prior to beginning such routine maintenance, to the offices of the Speaker of the Senate and the Speaker of the House of Representatives. If emergency maintenance is required by the DGS on the second floor of the state capitol, the Department is required to respond to such emergency and provide notices to the Speakers as soon as practicable upon completion of the emergency maintenance.

Establishes that the second floor of the state capitol is considered a state building occupied predominantly by the legislative branch and is controlled by the Speaker of the Senate and Speaker of the House of Representatives.

**FISCAL IMPACT OF BILL AS AMENDED:**

**Decrease State Revenue - \$551,200/FY22-23 and Subsequent Years/  
Facilities Revolving Fund**

**Decrease State Expenditures –**

**Net Impact - \$551,200/FY22-23 and Subsequent Years/Legislature  
Exceeds \$25,000/FY22-23 and Subsequent Years/  
Facilities Revolving Fund**

Assumptions for the bill as amended:

- Based on information from the DGS, this legislation would have a significant impact on the Facilities Revolving Fund (FRF).
- Currently, the legislature pays rent on 21,616 square feet of the second floor of the capitol building.
- Monthly rent is \$25.50 per square ft., for an annual charge of \$551,208 (21,616 x \$25.50).
- This \$551,208 currently is paid into the FRF annually.

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- This legislation will effectively remove the legislature's requirement to pay rent for such space.
- A decrease in state revenue to the FRF of \$551,208 in FY22-23 and subsequent years.
- A decrease in state expenditures to the Legislature of \$551,208 in FY22-23 and subsequent years.
- The Department of General Services was unable to provide annual maintenance and upkeep costs associated with the second floor of the state capitol.
- It is assumed that upkeep costs such as cleaning and garbage removal, including labor and supplies, exceed \$25,000 annually.
- A recurring decrease in state expenditures from the FRF exceeding \$25,000 in FY22-23 and subsequent years.
- It is assumed the cost to upkeep the second floor of the capitol will now be the responsibility of the Legislature. Any additional costs can be accommodated within existing resources.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jb